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Recapitulation of Informal Discussion with the Intelligence
Operations Subcommittee of Senate Appropriations Committee - 10 April 1974

Senators Present: John L. McClellan (D., Ark.), Chairman
John O. Pastore (D., R.I.)
Milton R. Young (R., N. Dak.)
Roman L. Hruska (R., Neb.)

Staff Present: James Calloway
Guy McConnell

Invitees: Senator William Proxmire
Senator Alan Cranston

Agency Witnesses: William E. Colby
George L. Cary

1. Before the meeting started, Senator Young mentioned that Senator Stennis would not be present at this morning's session because of a meeting of the Senate Armed Services Committee to consider the nomination of John M. Maury to be Assistant Secretary of Defense for Congressional Relations. This in turn triggered a discussion about Mr. Maury's retirement from the Agency and then further discussion of CIA's age 60 retirement policy. The Director mentioned that the CIARDs statute made retirement mandatory for those employees covered under that system at age 60 and he added this policy had been applied across the board to all employees. He pointed out, however, that in some instances exceptions are made. Several of the members expressed concern about this flat Agency policy. Senator Proxmire asked several questions about it but Senator Pastore was the most vocal in opposition to it. He said he thought such a policy denied the Agency much experience and talent and added that if such a policy had applied to the U.S. Senate he would have had to retire seven years ago. He said he still felt he could keep pace with anybody in the Senate regardless of age. (Senator Cranston was late in arriving for the meeting and had to leave to attend a meeting at the White House. As a result he did not participate in any of the discussion although he asked Senator Proxmire to speak for him.)

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2. Chairman McClellan read a summary of events which had been prepared by the Committee staff leading up to today's meeting. It included Senator Cranston's request to him for certain intelligence budget figures and letters he had received from Senator Proxmire asking that consideration be given to disclosing the total individual budget figures for the various elements of the intelligence community. He said the purpose of the informal meeting today was to bring the parties concerned together with Mr. Colby so the matter could be discussed in an informal atmosphere. Senator Proxmire opened the discussion by saying he felt in our society free and public discussion of Government expenditures was the only way to effect efficiency in Government. He said he felt only through this means of disclosure and debate could the Government be held accountable to the people. He added those who conceal information from the public bear the burden for the consequences of such actions. He said he realized disclosure of details of the intelligence budget would not be advisable but he saw no reason why the total figures could not be publicized. He commented that it was generally known that the U.S. had satellites and this didn't seem to create any serious national security problem; he doubted the Soviets would learn anything of great significance by having these figures published. In fact he said he had a hunch the Soviets know more about what the intelligence community spends than the average U.S. senator knows.

3. Senator Pastore asked the Director to explain how our national security would be injured by the disclosure of the total budget figures Senator Proxmire referred to. He emphasized, however, this issue should not be decided on an emotional basis and should not be the preliminary to further pressure for more detailed disclosures which he felt would be catastrophic.

4. Senator Young said some secrets in Government are necessary and he referred to the secrecy surrounding the development of the atomic bomb.

5. Senator Pastore said as a matter of fact, President Roosevelt spent \$5 million for the development of the atomic bomb without going through the official Governmental processes. He said if it had not worked he would have been subject to the articles of impeachment for his actions. He said even Harry Truman, then Vice President, did not have access to this information and knew about it only when he was sworn in as President.

6. Chairman McClellan asked how many agencies spend the money in question and a rather confusing discussion ensued as to whether in addition to CIA, DIA and NSA, the budgets for the Bureau for Intelligence and Research of State Department and elements of the Atomic Energy Commission and the Federal Bureau of Investigation should be included.

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7. The Director then made his presentation saying he had three basic points:

- (a) He is an intelligence officer
- (b) He is an American and works under the American system and under the Congress.
- (c) There are certain statutory restrictions placed upon him by the Congress in his capacity as Director of Central Intelligence which would preclude him from recommending or agreeing to the disclosure of the figures which Senator Proxmire has suggested.

He added, however, that he is completely responsive to the present Subcommittee system and provides the intelligence Subcommittees of the Armed Services and Appropriations Committees of the House and Senate any information they desire regardless of its sensitivity. He went on to say it is basically a congressional decision as to how responsibility for this information is handled in the Congress; he would have to abide by whatever decision the Congress reaches since he is beholden to the Congress for his appropriations. He said he and his predecessors have followed the policy of providing intelligence information to all committees and members of Congress on matters within their jurisdiction but he could not disclose operational information outside the present Subcommittee structure. He said the disclosure of the budget figures for one year would not be all that revealing, but over a period of years trend lines could be established by agencies which would give the Soviet Union information which they do not now have. He said for example, increases in the budgets of certain elements of the intelligence community could disclose technical development systems. He added he has been studying the KGB budget to the extent that available information permits and said if he had access to the KGB budget figure he would be substantially better off than he is now. He said a lot of information is now readily available to the Soviets but as a professional he could not agree to giving the Soviets further help by providing the additional information Senator Proxmire has suggested.

8. Chairman McClellan asked the Director if he would also object to the disclosure of the total budget figure for the entire intelligence community. The Director said he would object to the disclosure of that figure. Senator Hruska asked what benefits would be served by the disclosure of this figure. Senator Proxmire said it would serve as the basis for public debate which would be of ultimate benefit. Senator Hruska said this was exactly what he was concerned about; that the disclosure of this figure would merely open up the topic for further discussion and speculation which could not be controlled. He

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said this ultimately would get caught up in the supervision of the Agency and the Director has made it clear he has no secrets from his Subcommittees. Senator Pastore commented that Senator Howard Baker, under the guise of the Watergate investigation, has gotten into CIA business and he thinks this is bad. He believes this kind of thing should not be allowed to continue. He said he personally would stake his life on Mr. Colby's ability and on his judgment. He said he was impressed by Mr. Colby's discussion of the problem that would result from disclosure of trends in the budgets of the various agencies but wondered if they could try giving the total intelligence community figures to members of the Senate for whatever disposition they wish to make of it including public disclosure. Senator Proxmire said he found it "hard to buy Mr. Colby's arguments." He said our Government is run by the people and he thought that public debate over Government expenditures was a "cleansing process" which he felt was all to the good. He also felt that personnel figures should be disclosed. He added that Senator Cranston had asked him to put forth his argument that he felt that hiding CIA appropriations in the Defense budget placed the Congress in the position of voting money for Defense expenditures which were not actually expended in the manner senators were led to believe that they would be.

9. Senator Pastore said he was opposed to this argument and Senator Proxmire added he wasn't really sold on it either but he had agreed to convey Senator Cranston's view.

10. Chairman McClellan asked if it would be possible to include a line item in the budget for the total intelligence community. Senator Pastore said there was no way this could be done since this involved appropriations for a number of different departments and agencies which are not contained in the same bill.

11. Senator Young, exploring another possible solution, asked whether it would be possible to give out a rounded figure which was within 25% of the exact figure. None of the members liked this idea.

12. Chairman McClellan said that he did not like secrecy any more than anyone else but he said he felt it was absolutely necessary to impose secrecy in some areas and he felt that the intelligence field was one of those areas. He felt technically every senator had a right to know what these figures were but he had reservations about giving these figures out for public disclosure.

13. Responding to Senator Proxmire's arguments, Senator Hruska asked what purpose was really served by making the overall budget figure public. He said it doesn't really tell anything and would only serve to trigger discussion and desire for further information. He said each member would look at the figure and ask why a particular project that he favored should be cut out when "X" number of dollars would be cut out.

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Pastore expressed concern that rumblings were going on on the floor of the Senate along the lines expressed by Senators Proxmire and Cranston and said that unless something is done drastic measures might be taken by the Senate itself and he hoped the pendulum would not swing too far in that direction. He said if it was decided to give out the total figure as was done in the case of the Atomic Energy Commission, he would be the first one to take the floor to speak against any further disclosures.

14. Chairman McClellan said he wanted to make it clear to Senator Proxmire that the intelligence budget figure has not risen in accordance with other costs. In fact, the trend has been less than the percentage of inflation over recent years.

15. In response to a statement by Senator Proxmire that only one or two members of the Congress knew what the intelligence budget figures were, Senator Hruska said this was not really so. He cited the existence of the four Subcommittees whose members have access to this information. In fact both Senators Pastore and Hruska called attention to the fact that our Subcommittee could not make a decision on this issue in a vacuum since this was a matter for consideration by the other three Subcommittees of the Congress having oversight responsibility over the intelligence community. Senator Hruska said he did not feel the disclosure of the total budget figure would satisfy people, therefore, would serve no useful purpose.

16. Senator Young asked if the 7% reduction figure included the drastic cuts made in NSA in recent years and the Director said it did but the NSA reductions were off set by increased costs in other areas.

17. Senator Proxmire, realizing that he was not convincing the Subcommittee members to disclose individual budget figures, said he felt Senator Pastore's suggestion that disclosing a total figure for the intelligence community, as Senator Pastore pointed out was being done for the Atomic Energy Commission, might be useful. Senator Hruska responded by saying that somewhere you have to go on good faith and accept the judgment of somebody. He said "sure as shooting when you give the total figure out the ratchet will start working and there will be pressure for more disclosures." He said this is not a Government where everybody has to know everything about everything. Senator Pastore suggested the possibility of giving the total budget figure out in an executive session of the Senate. Senator Hruska commented on this by saying the next day this figure would be in Jack Anderson's column. Senator Pastore said he was not speaking well of the U.S. Senate and Senator Hruska said nevertheless this would be the case. He was joined in this position by Senator Young who said "the figure would be out before the door was open." Senator Young then raised the question as to which figure would be used. Senator Proxmire suggested the figure covering CIA, DIA and NSA but there was no agreement on this.

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18. Chairman McClellan ended this informal session stating that obviously this was a matter that could not be decided today but he wanted to give Senator Proxmire and Senator Cranston an opportunity to discuss this matter with the Subcommittee and Mr. Colby in the presence of each other. He said he thought the discussion had been useful but he made no commitment as to what if any action would be taken.

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1. Mr. Carver 7E47

[Signature]

Attached is a recapitulation of my rough notes on the session with the McClellan Subcommittee Wednesday morning. I suggest this information not go outside the Agency in this form.

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[Redacted Signature Box]

George L. Cary
Legislative Counsel

Compensation Relations